

San Francisco may get universal health care

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By John Ritter, USA TODAY

SAN FRANCISCO — The mayor who roiled the culture wars by sanctioning gay marriages has taken on another fractious political issue that bedevils national policymakers: health care for the uninsured.

Mayor Gavin Newsom wants San Francisco to become the first city in the nation to provide coverage for a growing and increasingly costly segment of the population: adults with no health insurance or other means of paying for doctor visits, surgeries, catastrophic illness and prescription drugs.

The uninsured — an estimated 45.8 million people across the USA and 82,000 here — increasingly drain the budgets of cities and counties whose hospital emergency rooms and clinics bear the brunt of costs for treating them.

Newsom says his plan, unveiled June 20, could reduce — or at least slow the rise in — those costs by encouraging more primary and preventive care. As he puts it, "not waiting until the ulcer bursts to go to the doctor."

His proposed Health Access Plan has drawn wide support here — though the business community remains wary — as well as curiosity around the country. Oakland, Baltimore, Seattle and a Los Angeles congresswoman have inquired about the plan. San Mateo County, south of here, has approved hiring a consultant to study how to provide for uninsured residents.

Massachusetts is the only state, as of July 1, that requires all adults, including 460,000 who are now uninsured, to buy health insurance. It also requires businesses to contribute to workers' health plans.

"This is a case of filling a vacuum at the federal level," says Stephen Shortell, dean of the school of public health at the University of California-Berkeley. "We haven't bitten that bullet yet. So we're going to see more innovation in states and municipalities."

Shortell predicts a "contagion effect" — regions of the country where officials like Newsom experiment with a new plan, then surrounding areas follow suit. That, he says, "is really going to raise this as an issue" in the 2008 presidential election.

The plight of the uninsured has been on the national agenda at least since the 1988 Bush-Dukakis presidential campaign. In the mid-1990s, President Clinton made universal health care a centerpiece of an overhaul plan that failed in Congress.

Now, Newsom says, "shame on both (political) parties. It's complete abdication of any real responsibility."

San Francisco's Board of Supervisors will vote on a health plan as early as this month, but Newsom says he has authority to move forward without the board's approval. Supervisor Tom Ammiano has introduced an alternative plan, panned by business interests as too costly to employers.

Newsom initially had hoped the city's employers would participate voluntarily but has since acknowledged the city will have to require them to contribute up to \$38 million of the estimated \$200 million first-year cost. A final formula has not been worked out.

Just over half, \$104 million, would come from redirecting money from city programs that help uninsured and low-income residents. Uninsured workers would contribute on a graduated scale based on earnings.

Only requirement would be residency

Newsom's plan would be open to any resident regardless of immigration status or pre-existing medical conditions. But residents who enroll wouldn't be covered if they sought treatment outside the city.

"The only downside is it's not portable, you can't take it with you," Newsom says. "But it's precisely the same quality of coverage I get with my insurance."

The plan would not insure the uninsured but give them the same access to a network of doctors, hospitals and drug benefits that other workers receive through insured coverage.

In an era of spiraling medical costs, Newsom believes stressing preventive care and control of chronic illnesses could contain year-to-year increases. "We assume costs will increase," he says. "But my hope is that we don't need to do this in five or six years — that we're taken out of the business because it's replaced by some rational national strategy."

Businesses say city needs to cough up more

Business interests want the city to invest more than \$104 million. "I agree that it needs to be mandatory for employers, but it needs to be affordable," says Kevin Westlye, executive director of the Golden Gate Restaurant Association. "It's pretty easy to write a check with somebody else's money, which is what the business community to a certain degree feels is happening."

Nathan Nayman, executive director of the Committee on Jobs, a business lobbying group, predicts that some small businesses will fold and their employees will be thrown out of work. Those same predictions were part of the debate in 2004 over raising San Francisco's minimum wage.

After the wage rose from \$6.75 to \$8.50, a study backed by organized labor found no major negative effects on business. But a restaurant association analysis found that some restaurants were closing or hiring fewer workers. Moreover, Nayman says, "if you look at where jobs are being created throughout the Bay Area, San Francisco is last."

Kevin Grumbach, a professor of family and community medicine at the University of California-San Francisco, says local efforts on behalf of the uninsured can fuel broader reform.

"After the Clinton plan went down in flames, there was the sense that health care reform is dead," he says. "Now there's a feeling that we can make progress on this issue. ... It just takes gathering the political will."